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Court Rejects Thatcher's Ban on Trade Union at Top-Secret Facility

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LONDON, July 16—British Prime Minister Margaret Thatcher, beset with problems from striking coal miners and dockers, today suffered another labor setback when a court ruled that she acted illegally in January in banning trade unions from the government's super-secret electronic intelligence gathering center.

The government communications center at Cheltenham, known as GCHQ, is similar to the top-secret U.S. National Security Agency headquarters in Maryland. The two centers, which manage electronic eavesdropping installations around the world, work closely together.

Although the United States has denied that it exerted pressure on the British government to keep unions out of Cheltenham, it was widely reported here in January that U.S. security authorities feared security leaks and wanted British authorities to be able to use lie detector tests on employees, something that the unions were sure to oppose.

Commentators here already are speculating that today's decision by London high court judge Iain Gleave could lead to reluctance on the part of the Americans to share some sensitive intelligence.

[The government said tonight that it will appeal the court ruling Tuesday, Reuter reported.]

Amid considerable popular, political and labor opposition, Thatcher imposed a ban on civil service union membership at the center on Jan. 25. She argued that the center's vital intelligence role demanded that its work be protected against interruption by strikes or labor disputes. At the time, the government offered workers at the center the choice of resigning their union membership in return for \$1,300, being sent elsewhere to another job or facing dismissal.

Today's court ruling in effect upheld the government's contention that it has power to exclude civil servants from union membership in some cases, but the court found that the way the government went about it in the Cheltenham case was unlawful. The judge said that the government's

failure to consult the unions and the CHGQ staff first had breached the "rules of natural justice" and taken away their fundamental rights.

The decision, which came as a surprise, was an embarrassment to Thatcher. The leader of the opposition Social Democratic Party, David Owen, said "never in our history has a British Prime Minister been found guilty in a British court of law and been placed in the dock in this way."

However, even if the appeal fails, today's decision appears to leave open the possibility that the government can maintain the union ban by simply consulting the center's staff and unions first before reimposing it.

The ban reportedly will remain in effect pending the appeal.

Meanwhile, Thatcher appears to be headed for another challenge over the activities of the former chief of British counterintelligence from 1956-1965, Sir Roger Hollis. In 1981, Thatcher told Parliament that no conclusive evidence had been developed that Hollis, who died in 1973, had been a Russian spy.

But in a television program to be broadcast tonight, Peter Wright, the former government intelligence official who investigated the Hollis case for four years, says that "it was 99 percent certain that he was a spy."

Wright calls the government stance "a masterly piece of Whitehall deception, because there were three independent inquiries in succession . . . and all concluded that there was serious penetration."

But at another point he claims that no prime minister had ever been given the full details of what really happened.